4/26/88

A6225-2

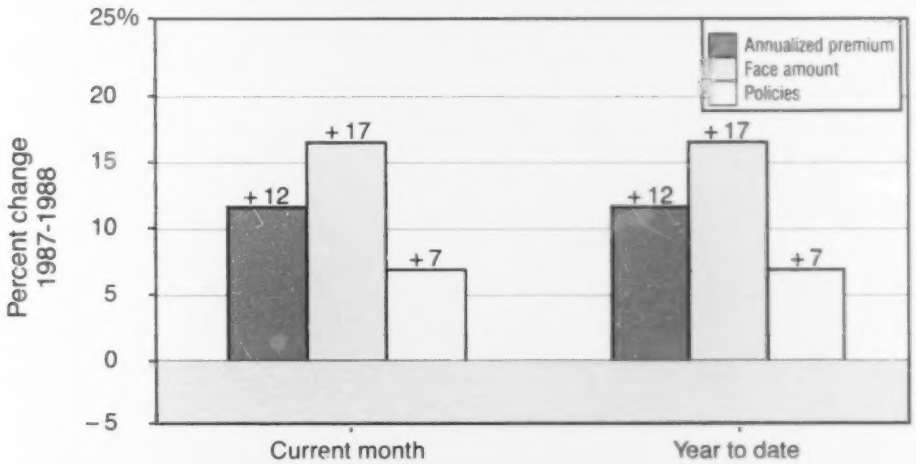
I/R Code 47.40

January 1988

MONTHLY SURVEY OF LIFE INSURANCE SALES IN CANADA

Growth Rates for 37 Companies

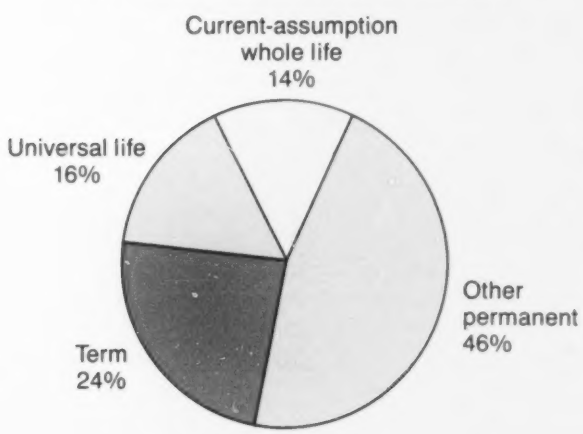
Comparisons with Last Year



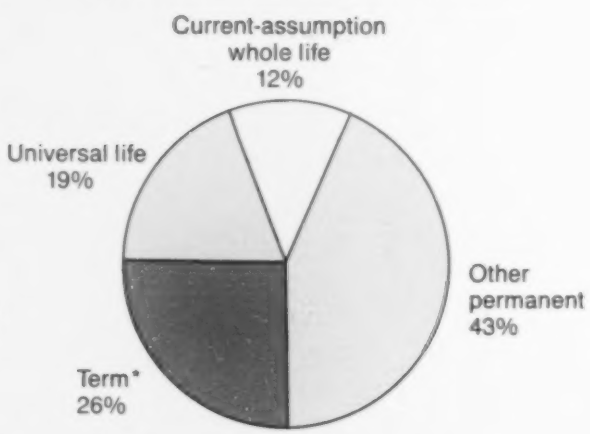
Individual Products

Annualized Premium Market Share by Product

21 Companies Representing 59 Percent of Total 1987 Sales



24 Companies Representing 65 Percent of January 1988 Sales



*For the 13 companies that sell the product and supply data, "permanent term" ("term to 100") makes up 16 percent of total January 1988 sales.

LIMRA INTERNATIONAL

Profit from our research.

Individual Products (cont.)

Comparisons with Last Year

Ratio 1988/1987

		Annualized premiums	Face amount	Number of policies
Term (22 cos.)	Month	116%	128%	118%
	Year to date	116%	128%	118%
Universal life (19 cos.)	Month	149%	167%	139%
	Year to date	149%	167%	139%
Current-assumption whole life (10 cos.)	Month	91%	78%	83%
	Year to date	91%	78%	83%
All other permanent (20 cos.)	Month	107%	108%	104%
	Year to date	107%	108%	104%

Policy Characteristics by Product

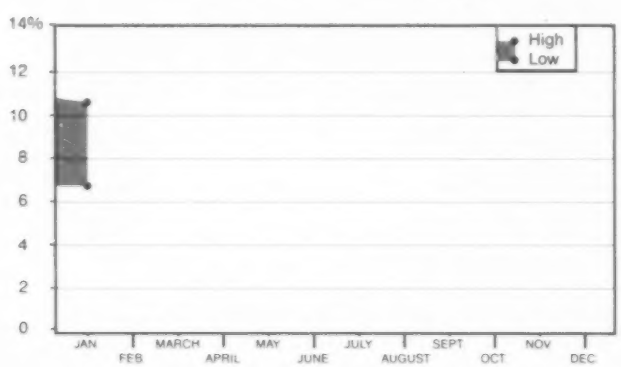
		Premium per $1,000	Average size policy	Premium per policy
Term (22 cos.)	Month	$ 3.46	$142,648	$494
	Year to date	$ 3.46	$142,648	$494
	Year-to-date ratio	91%	108%	98%
Universal life (19 cos.)	Month	$ 9.24	$ 87,910	$812
	Year to date	$ 9.24	$ 87,910	$812
	Year-to-date ratio	89%	120%	107%
Current-assumption whole life (10 cos.)	Month	$ 7.85	$ 59,599	$468
	Year to date	$ 7.85	$ 59,599	$468
	Year-to-date ratio	116%	94%	109%
All other permanent (20 cos.)	Month	$11.08	$ 51,410	$570
	Year to date	$11.08	$ 51,410	$570
	Year-to-date ratio	99%	104%	103%
Total sales (37 cos.)	Month	$ 6.70	$ 83,929	$563
	Year to date	$ 6.70	$ 83,929	$563
	Year-to-date ratio	96%	109%	105%

Universal Life

Interest Rates This Month

Median	9.0%
Range	6.5-10.5%
Range of middle 50%	7.3-9.5%
Number of cos. reporting rates	15
Number of plans reported	29
Number of new plans	0
Number of plans dropped	0
Number of plans showing . . .	
No change	24
Increases	1
Average increase	0.5%
Decreases	4
Average decrease	0.4%

1988 Interest Rate Range



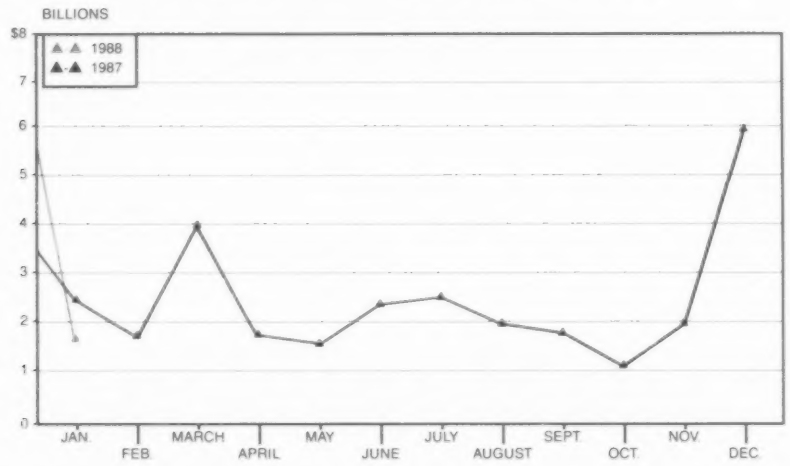
Contributors' Growth Rates

Change in Annualized Premium – Year to Date

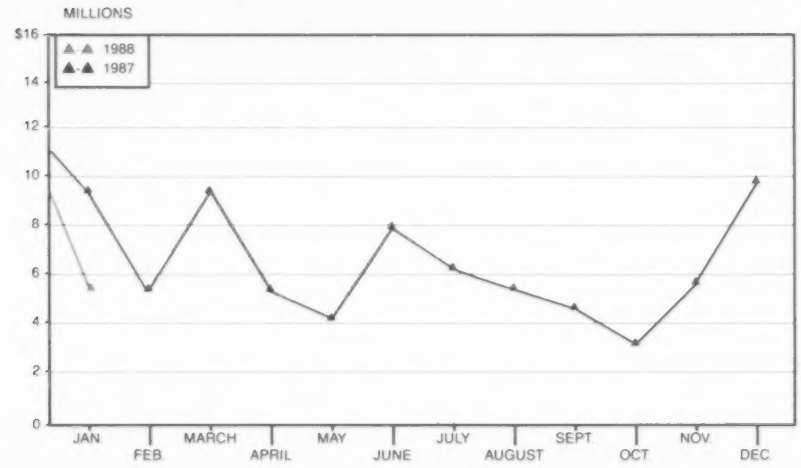
Percent change 1987–1988	Number of . . . Group I cos.	Group II cos.	Group III cos.	All cos.
21% or over	1	6	4	11
11% – 20%	1	3	1	5
1% – 10%	3	1	3	7
– 9% – 0	3	3	0	6
– 19% – – 10%	1	1	2	4
– 20% or under	1	0	3	4

Group Sales

Face Amount – 16 Companies



Annualized Premium – 13 Companies



January Sales*

		Annualized premium (000)		Face amount (000)		Number of policies	
		1987	1988	1987	1988	1987	1988
Total ordinary life	Month	$31,449	$35,336	$4,486,232	$5,271,090	58,498	62,804
	Year to date	$31,449	$35,336	$4,486,232	$5,271,090	58,498	62,804
Ordinary— Group I	Month	$18,209	$18,907	$2,397,453	$2,566,350	35,295	34,741
	Year to date	$18,209	$18,907	$2,397,453	$2,566,350	35,295	34,741
Ordinary— Group II	Month	$10,204	$12,448	$1,573,279	$2,028,729	17,404	20,437
	Year to date	$10,204	$12,448	$1,573,279	$2,028,729	17,404	20,437
Ordinary— Group III	Month	$ 3,036	$ 3,981	$ 515,500	$ 676,011	5,799	7,626
	Year to date	$ 3,036	$ 3,981	$ 515,500	$ 676,011	5,799	7,626
Group life	Month	$ 9,341	$ 5,542	$2,371,568	$1,504,402	—	—
	Year to date	$ 9,341	$ 5,542	$2,371,568	$1,504,402	—	—

*Data revised to incorporate company corrections.

About the Survey

This survey gives ordinary sales results of a group of companies that report three measures of sales performance—annualized premiums, face amount (volume), and number of policies. From these data, premium per $1,000, average size policy, and premium per policy, as well as trends in those statistics, are derived. Sales results by product are also shown for a subset of the contributing companies.

The definition of new sales excludes revivals, indexed increases, dividend additions, reinsurance acquired, credit insurance (coverage of obligations not exceeding 120 months' duration), and products without insurance (such as annuities and Canadian pension bonds). The data include mass-marketed ordinary business.

The ordinary results are based on the experience of 37 companies plus six subsidiary companies operating in Canada. The contributors represent 81 percent of the 1986 Canadian ordinary volume sold and 85 percent of first year premiums written. The business of these contributors may not represent the industry proportions of participating and nonparticipating policies and of term and permanent insurance sold; therefore, statistics (such as premium per $1,000) derived from the experience of the contributors may not represent the experience of the industry as a whole.

The survey also provides group sales volume and annualized premiums under new or amended contracts. These results are based on the experience of 16 companies operating in Canada. The contributors represent 64 percent of the 1986 Canadian volume of new or amended group contracts.

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Contributors

GROUP I

Canada Life*
Great-West Life*†
Industrial-Alliance Life*†
(includes North West Life of Canada)
London Life*
Manufacturers Life
Metropolitan Life*†
(includes Metropolitan Life of Canada)
Mutual Life of Canada*†
North American Life (Canada)
Prudential of America*†
Sun Life of Canada*†

GROUP II

Ætna Canada (Excelsior Life)†
Commercial Union Life of Canada
Confederation Life*
Co-operators Life
Crown Life†
Imperial Life of Canada
La Laurentienne†
Maritime Life (Canada)†
National Life of Canada*
New York Life*†
(includes New York Life of Canada)
Prudential of England*†
(includes Prudential Life of England)
Seaboard Life†
Transamerica Occidental Life†
(includes Transamerica Life of Canada)
Zurich Life of Canada†

GROUP III

Allstate Life of Canada†
Assumption Mutual Life
Assurance-Vie Desjardins*
COLONIA Life†
Equitable Life of Canada
Financial Life of Canada†
Knights of Columbus†
Laurier Life†
Royal Life (Canada)†
(includes Royal Life of Canada)
La Sauvegarde*†
La Solidarite
State Farm Life†
L'Union-Vie†

The groupings of companies and departments are maintained for five-year periods to allow examination of trends; currently they are based on the sum of first-year and renewal direct-written ordinary life premium income as of December 31, 1986.

*Company contributes both ordinary and group data

†Company is included in product market share chart

Companies contributing group data only: Ætena-Vie and Laurentian/Imperial

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